KPMG Consulting – Verizon Responses regarding New Jersey Exception Report #4

Exception :	4
Component:	**During Provisioning Verification of xDSL loops, KPMG observed that Verizon failed to meet a number of Local Service Confirmation (LSC) dates that Verizon provided to CLECs.**
Domain:	POP
Date Uncovered by KPMG:	11/6/00
Date VERIZON Received:	11/6/00
Date of initial VERIZON Response:	11/29/00
KPMG Consulting Summary Statement	**Verizon's inability to meet their commitment to the CLEC for provisioning xDSL orders results in several detrimental effects including delay in the subscriber's new service and rescheduling installation appointments to the subscriber's premises. The end result is that the customer/supplier relationship between the new subscriber and the CLEC is damaged.**
KPMG Consulting Response:	**<u>KPMG Consulting's 12/21/00 Reply to Verizon's 12/15/00 Response</u>** KPMG Consulting validated that Verizon NJ performed fifty-five of fifty-eight (55/58) ADSL installations correctly resulting in a success rate of 94.8%. KPMG testers viewed each observation to compare the installation results to the Carrier to Carrier Performance Standard metric PR-4-04 Missed Appointment. This metric calls for performance results to be compared to Verizon-NJ Retail results. KPMG testers conducted these observations during the month of October, 2000. During this time period the Verizon-NJ Retail figures were such that 10.76% (89.24% success rate) of the 699 orders were classified as missed appointment Thus, KPMG Consulting will assign a finding of "Satisfied" to the relevant evaluation criteria in the final report. In the absence of any other activity or information, KPMG Consulting closes Exception #4 for testing purposes. **1. Order NTH23861** The LSC date on this order was October 4, 2000. On that date KPMG observed the Verizon technician at the end user location. Observers noted that the technician followed Verizon's methods and procedures for testing and evaluating xDSL qualified facilities. The technician initiated the proper reporting procedure for clearing facilities. Based on KPMG's observation of activities on the LSC date, this exception is removed from the exception report and reclassified as an order Pending Facilities (PF).

2. Order NTR6219

On the LSC date, October 3, 2000, KPMG observers and the Verizon technician arrived at the end user location at 4:15PM. The tech noted that both pairs of the two-pair drop were in use and that a new six pair drop was needed. The tech determined that he did not have a cable for a new drop and decided to work at the cross-box to identify a good pair. The tech tested several pairs before he found one that passed the stress test. After finding a suitable pair, the tech went back to the garage to retrieve a bucket truck and six-pair cable in order to install the new drop. After an initial attempt, the tech was unable to make the new drop by himself and postponed the job until the next day. During the second visit, on 10/04, the tech brought two additional techs with him to install the new drop. The techs installed a new NID and removed the half-ringer. Using the Sidekick, the technician estimated the distance from the NID to the Central Office at 5Kft. Loop resistance, leakage and load coil tests were all within parameters defined in the M&P. The Stress test measured 18, which is within specs.

The technician called the CLEC to conduct an acceptance test on 10/04. The CLEC tester did not see the short put on the line by the Verizon tech. The Verizon tech called the frame to verify the pair, but no one was at the frame at 9:30 PM. The frame had not been pre-wired. On 10/05 the tech called the frame to verify the pair. The tech called the CLEC to perform another test. The CLEC tech conducted the test and confirmed acceptance of the line, confirmation #537320TM.

Based on an analysis of Verizon's response and the above field observations, this circuit did not meet the timeliness criteria for circuit provisioning on the LSC date.

3. Order NTH33989 (Circuit DYVU708932NJ)

The LSC date on this order was October 18, 2000. On October 25, 2000 KPMG observed a Covad technician, at the customer location initiate a circuit test. The test indicated the circuit was open in the Central Office. The tech attempted to open a trouble ticket with Verizon. The CLEC was told by the RCMC "this order has not been completed and therefore a trouble ticket could not be opened. The CLEC was directed to the CLPC". CLPC stated "there is no status against this order, please call TISOC. TISOC informed the CLEC she would have to get back to them with the status of this order.
Verizon states that on October 25th the RCMC informed the CLEC technician that the order was canceled. On October 26th KPMG requested the CLEC technician contact his trouble desk and obtain a status of this order. The response was that Verizon had not yet gotten back to the CLEC with a status and that the trouble was still pending.

Based on an analysis of Verizon's response, and the above field observations, this circuit did not meet the timeliness criteria for circuit provisioning on the LSC date. Additionally, six days after completing cooperative testing with the CLEC, Verizon's OSS systems did not reflect the status of the order.

4. Order NTH34830

The order number Verizon references in their response does not match the order number recorded by KPMG at the time of the observation. The order recorded was ARDU735666, PON: 670521.

On October 25, 2000 KPMG observed a CLEC technician, at the customer location initiate a circuit test to turn-up SDSL service to their customer. The router would not sync-up. The CLEC technician initiated an IVR (automated) test that indicated the presents of load coils on the line. The KPMG observer requested the CLEC technician check the loop with his sidekick test set. KPMG observed the indication of load coils on the line. The CLEC tech called his trouble desk and requested a trouble ticket be opened with Verizon. The CLEC technician hooked-up the router so that it could be remotely pinged to verify the loop when Verizon closed out the trouble ticket.

KPMG agrees as Verizon noted, and the CLEC confirms, that a cooperative test was completed and accepted prior to the LSC date. Therefore this observation is removed as an exception and reclassified as completed.

5. Order NTR33160 (Circuit ARDU363039NJ)

On the LSC date October 4, 2000, KPMG observed that the technician could not find dial tone on the original assigned pair due to a short on the line. The tech put in a ticket to have the new pair wired in on the frame. The tech left the site to install another xDSL line while waiting for the frame to be wired. Upon returning to the site later in the day, the tech estimated the distance from the NID to the CO at 14kft using the Sidekick meter. Loop resistance, leakage and load coil tests were all within parameters defined in the M&P. The Stress test measured 18, which is within specs. The Tech did not call the Somerville frame to verify the pair due to the late hour of the day.

The technician called the CLEC to conduct an acceptance test. The CLEC tech. performed the test and reported very high voltage levels (38V). The tech called the CLEC again to perform another test. The second tester also saw very high voltage on the line. The pair apparently had still not been wired to the frame. The tech closed out the call to the CLPC.

The technician labeled the NID with the CLEC's name, circuit ID, TN and the date. The CLEC was given all information including location of the NID at the customer premises.

Verizon did not meet the timeliness criteria for completing circuit provisioning on the LSC date.

This finding is based on KPMG's field observations with the Verizon technician. As of 7PM on 10/4 the Verizon technician concluded that the frame was not wired to the new assigned facility and closed out the order to the CLPC.

Verizon notes that a cooperative test was performed on 10/4 with the CLEC. It is unclear when the frame was re-wired to the new facility and how the cooperative test was performed since the Verizon technician and the KPMG observer left the end user premises at the same time.

VERIZON Response: **Verizon's 12/15/00 Reply KPMG Consulting's 12/04/00 Response**

The following information is provided in response to the KPMG request for additional provisioning details on the four orders cited in the initial exception and a recently identified fifth item. All appropriate steps involving numerous departments within Verizon and required interfaces with the CLEC were taken

to resolve the issues associated with the noted orders.

1. Order NTH23861

10/04 - Initial test revealed an open in the F1 aerial section. Order was jep coded CF and referred to Outside Plant Construction.

10/05 - OSP Construction repaired open aerial and referred back to I & M center.

10/06 – Installer connected the F2 for continuity at NID; No access encountered; RCCC contacted to reschedule due date.

10/20 – Tests conducted with CLEC on rescheduled due date determined combined length of F1, F2 and CLEC's cabling sections exceeded 20,000 feet; installer notified engineering, who posted EO code in WFA; Service refused by CLEC; escalated within CLEC; 2nd CLEC Contact reconfirmed status.

11/2 - PON cancelled by CLEC.

2. Order NTR6219

10/3 - Dispatched late in afternoon; field work to be completed following day.

10/4 - Dispatched technician identified an open that was repaired and cleared at 9:50 PM.

10/5 - Tested and turned up to CLEC at 9:54 AM; Confirmation # 537320TM.

3. Order NTH33989 (Circuit DYVU708932NJ)

10/19 - The order was completed one day late due to a delay in developing the design documents in the Circuit Provisioning Center. This delay was caused by the presence of an ADSR FID entered on the order in error by the TISOC. To remove the ADSR FID, the TISOC issued a cancellation order and then a new order without the ADSR FID. The canceled order contained errors which, caused a conflict with the new order. This resulted in the facilities being restored to spare and the new circuit not to be entered in the Maintenance database.

10/25 - During premise installation the CLEC technician and the RCMC determined the order had been canceled with the circuit disconnected.

11/3 - Verizon Technician encountered a no access on the new due date of the reissued order and a subsequent due date of 11/17 was established.

11/16 - Circuit tested with CLEC and confirmed # 710299.

4. Order NTH34830

10/24 - Installation completed and tested with CLEC at 5:07PM; confirmation # 711756MS.

10/26 - CLEC initiated trouble ticket (ND: 017370) reporting load coils on circuit.

10/27 - Verizon technician dispatched to customer premise and performed tests with CLEC. CLEC provided confirmation # 711756SG. Trouble closed with no work required.

5. Order NTR33160 (Circuit ARDU363039NJ)

10/04 - Order completed on due date and accepted by CLEC # 792646JS.

10/10 - CLEC initiated trouble ticket (ND: 015816) which indicated high metallic noise on line.

10/11, 10/12 - Series of retest by Verizon technicians confirmed facilities within limits. Advised CLEC no trouble found.

10/17 - CLEC advised Verizon noises on line condition still exist. CLEC

indicates they will set up vendor meet to pinpoint origination of noise. As of 12/8, no further communication has been received from CLEC.

KPMG Consulting Response:

KPMG Consulting's 12/04/00 Reply to Verizon's 11/29/00 Response

KPMG has reviewed Verizon's response to the four observations submitted on 11/6/00 and determined that the data provided in the response is insufficient for KPMG to conduct a comprehensive root cause analysis to determine causal factors associated with these observations.

Verizon's response to the first two observations indicates that they involved facility shortages. However, the response lacks the specificity needed for KPMG to determine if in these two instances, Verizon adhered to their M&Ps in reference to our observations on the LSC date.

Concerning the third observation, Verizon states the order is for an ISDN loop and not xDSL. On October 25, 2000 KPMG observed an attempted installation by a CLEC with circuit # DYVU708932NJ associated with PON 672878. KPMG would like clarification on what transpired regarding this order that precluded Verizon from meeting the LSC date.

Noting the fourth observation, Verizon states that the line was tested and turned-up to the CLEC on 10/24. On October 25th KPMG observed load coils on this loop that precluded the CLEC from completing the installation on the LSC date. KPMG requests Verizon provide further details regarding the work effort involved with this order.

Additionally, during the ongoing evaluation of our observation data, KPMG has identified an additional ADSL order for which we request a Verizon response:

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Item	Observed date	Circuit ID	LSD date	Comments
5	10/04/00	NTR3316 0	10/04/00	Failed to meet LSC date.

VERIZON Response:

11/29/00 Response to Exception

Verizon has reviewed the four examples provided above and has determined the following:

KPMG Consulting's (KCI's) assessment discusses, in general, the issue of missed appointments for xDSL service. KCI discusses how missed commitments require the CLECs to notify their customer that service would be delayed. The specific examples provided predominately deal with lack of facilities. Verizon NJ respectfully points out that the primary cause of delay for service is "no access" at the customer's location, a condition that is not in the control of

Verizon.

Concerning the four specific examples provided, the first two involve facility shortages. On occasion xDSL orders will not be completed on the due date due to facility issues. This occurs indiscriminately on retail and wholesales orders that require new dedicated copper facilities. New pairs are assigned to CLECs and Verizon NJ retail on a first come first served basis, as documented in Verizon methods and procedures, therefore, CLECs are not disadvantaged. A comparison of Verizon retail xDSL orders and CLEC xDSL orders in strict accordance with the current metric may not show a clear picture considering that the vast majority of Verizon NJ's orders use existing loops. This is significant because all UNE 2 wire xDSL CLEC orders have new facilities assigned, and are therefore more likely to encounter facility shortages.

We expect the instances of CLEC xDSL facility shortages to be reduced due to the implementation of the Line Sharing product. In these instances, new copper facilities are not required for this service if the existing customer is served via copper.

Concerning the third example provided, this example is for an ISDN loop not xDSL.

On the last example provided, this line was tested and turned up to the CLEC at 19:02 on 10/24, which was on time. Therefore, this was not a case of an untimely installation. There was a subsequent trouble ticket issued (several days later) that resulted in reconnection of the facilities in the Central Office due to an open connection in the MDF.